Grant Thornton
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Interim Condensed Consolidated Financial Information and Review Report

Kuwait Business Town Real Estate Company - KPSC and Subsidiaries

Kuwait

30 June 2022 (Unaudited)

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Report on review of interim condensed consolidated financial information

To the board of directors of
Kuwait Business Town Real Estate Company – KPSC
Kuwait

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Business Town Real Estate Company – KPSC (the "Parent Company") and its Subsidiaries (collectively the "Group") as at 30 June 2022 and the related interim condensed consolidated statements of profit or loss and profit or loss and other comprehensive income for the three-month and six-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Report on other legal and regulatory requirements
Based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. We further report that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its executive regulations, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the six-month period ended 30 June 2022 that might have had a material effect on the business or financial position of the Parent Company.

We further report, to the best of our knowledge and belief, no violations of provisions of the Law No. 7 of 2010 regarding Capital Markets Authority and its relevant regulations have occurred during the six-month period ended 30 June 2022 that might have had a material effect on the business or financial position of the Parent Company.

Hend Abdullah Al Surayea
(Licence No. 141-A)
of Grant Thornton – Al-Qatami, Al-Aiban & Partners

Kuwait
28 July 2022

Interim condensed consolidated statement of profit or loss

	Notes	Three months ended		Six months ended	
		30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD
Income					
Revenue from contracts with customers		**1,414,945**	1,380,299	**2,746,513**	2,721,548
Cost of contracts with customers		**(586,292)**	(563,324)	**(1,184,964)**	(1,311,511)
Gross profit		**828,653**	816,975	**1,561,549**	1,410,037
Rental income		**660,094**	226,259	**1,293,669**	460,186
Net (loss)/gain from financial assets at fair value	6	**(115,584)**	652,445	**(103,235)**	766,742
Gain on sale of investment in properties		**-**	-	**-**	280,000
Gain on sale of subsidiaries	5	**473,788**	-	**473,788**	-
Interest income		**95,105**	91,484	**196,152**	284,744
Foreign currency exchange (loss)/gain		**(13,934)**	28,806	**(16,065)**	(119,953)
Other Income		**2,322**	42,084	**24,068**	158,637
Reversal of provision no longer required		**-**	-	**-**	141,000
		1,930,444	1,858,053	**3,429,926**	3,381,393
Expenses and other charges					
General and administrative expenses		**(848,615)**	(508,697)	**(1,404,799)**	(955,239)
Selling and distribution expenses		**(517,798)**	(481,115)	**(1,034,308)**	(896,759)
Finance costs		**(251,072)**	(84,684)	**(464,136)**	(163,550)
		(1,617,485)	(1,074,496)	**(2,903,243)**	(2,015,548)
Profit for the period before provisions for contribution for Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat		**312,959**	783,557	**526,683**	1,365,845
KFAS		**(535)**	(6,853)	**(1,354)**	(6,853)
NLST		**(6,160)**	(14,357)	**(12,291)**	(24,952)
Zakat		**(2,368)**	(5,793)	**(4,190)**	(8,270)
Profit for the period		**303,896**	756,554	**508,848**	1,325,770
Attributable to:					
Owners of the Parent Company		**240,236**	721,629	**387,737**	1,259,173
Non-controlling interests		**63,660**	34,925	**121,111**	66,597
Profit for the period		**303,896**	756,554	**508,848**	1,325,770
Basic and diluted earnings per share attributable to the owners of the Parent Company	7	**0.40 Fils**	1.17 Fils	**0.65 Fils**	2.03 Fils

The notes set out on pages 7 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income

	Three months ended		Six months ended	
	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD
Profit for the period	**303,896**	756,554	**508,848**	1,325,770
Other comprehensive income:				
Items that will not be reclassified subsequently to statement of profit or loss:				
Net change in fair value of financial assets at fair value through other comprehensive income	**(308,367)**	-	**(14,581,365)**	100,717
Items that may be reclassified subsequently to statement of profit or loss:				
Net change in fair value of financial assets at fair value through other comprehensive income	**(281,907)**	(206,015)	**(542,671)**	(275,611)
Exchange differences arising on translation of foreign operations	**(824,981)**	(2,573)	**(1,095,453)**	(3,945)
Total other comprehensive loss for the period	**(1,415,255)**	(208,588)	**(16,219,489)**	(178,839)
Total comprehensive (loss)/income for the period	**(1,111,359)**	547,966	**(15,710,641)**	1,146,931
Total comprehensive income attributable to:				
Owners of the Parent Company	**(1,012,991)**	519,707	**(15,159,732)**	1,066,738
Non-controlling interests	**(98,368)**	28,259	**(550,909)**	80,193
Total comprehensive (loss)/income for the period	**(1,111,359)**	547,966	**(15,710,641)**	1,146,931

The notes set out on pages 7 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

	Notes	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Assets				
Cash and cash equivalents	8	**8,045,058**	6,560,785	4,688,315
Accounts receivable and other assets		**1,464,744**	1,131,532	11,921,708
Inventories		**415,887**	315,061	316,328
Financial assets at fair value through profit or loss		**3,223,364**	3,462,248	3,182,385
Financial assets at fair value through other comprehensive income	9	**20,928,646**	36,799,458	38,078,431
Investment properties	10	**45,303,358**	45,598,573	16,212,806
Investment in associate		**67,500**	64,000	64,000
Investment property under development	11	**-**	3,488,281	3,241,661
Goodwill		**3,037,249**	3,037,249	3,037,249
Intangible assets		**56,795**	34,648	37,503
Property, plant and equipment		**716,920**	650,415	851,865
Right of use assets		**1,067,335**	552,574	661,605
Total assets		**84,326,856**	101,694,824	82,293,856
Equity and liabilities				
Equity				
Share capital	12	**57,512,773**	60,539,761	60,539,761
Statutory reserve		**302,652**	302,652	-
Voluntary reserve		**302,652**	302,652	-
Foreign currency translation reserve		**(1,101,371)**	(209,206)	(3,534)
Fair value reserve		**(13,508,859)**	1,146,445	1,258,857
Retained earnings		**2,504,230**	2,116,493	1,089,212
Equity attributable to owners of the Parent Company		**46,012,077**	64,198,797	62,884,296
Non-controlling interests		**1,249,691**	1,887,792	(480,637)
Total equity		**47,261,768**	66,086,589	62,403,659
Liabilities				
Provision for employees' end of service benefits		**991,211**	905,025	854,343
Accounts payable and other liabilities	13	**3,898,029**	4,114,983	6,880,191
Borrowings	14	**27,109,655**	25,371,765	6,361,992
Lease liabilities		**1,086,733**	567,430	686,972
Due to banks	15	**3,979,460**	4,649,032	5,106,699
Total liabilities		**37,065,088**	35,608,235	19,890,197
Total equity and liabilities		**84,326,856**	101,694,824	82,293,856

Jaber Ahmad Hussain Ghadhenfar
Chairman

The notes set out on pages 7 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

	Equity attributable to owners of the Parent Company							Non-controlling interests	Total
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Foreign currency translation reserve KD	Fair value reserve KD	Retained earnings/ (Accumulated losses) KD	Sub-total KD	KD	KD
Balance as at 31 December 2021 (Audited)	**60,539,761**	**302,652**	**302,652**	**(209,206)**	**1,146,445**	**2,116,493**	**64,198,797**	**1,887,792**	**66,086,589**
Reduction in share capital (note 16)	**(3,026,988)**	-	-	-	-	-	**(3,026,988)**	-	**(3,026,988)**
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	**(87,192)**	**(87,192)**
Total transactions with owners	**(3,026,988)**	-	-	-	-	-	**(3,026,988)**	**(87,192)**	**(3,114,180)**
Profit for the period	-	-	-	-	-	**387,737**	**387,737**	**121,111**	**508,848**
Other comprehensive loss for the period	-	-	-	**(892,165)**	**(14,655,304)**	-	**(15,547,469)**	**(672,020)**	**(16,219,489)**
Total comprehensive (loss)/income for the period	-	-	-	**(892,165)**	**(14,655,304)**	**387,737**	**(15,159,732)**	**(550,909)**	**(15,710,641)**
Balance as at 30 June 2022 (Unaudited)	**57,512,773**	**302,652**	**302,652**	**(1,101,371)**	**(13,508,859)**	**2,504,230**	**46,012,077**	**1,249,691**	**47,261,768**
Balance as at 31 December 2020 (Audited)	62,732,189	2,018,394	703,082	411	1,485,999	(3,041,540)	63,898,535	**(13,303)**	63,885,232
Loss on acquiring additional interest in subsidiary	-	-	-	-	-	(208,613)	(208,613)	**(547,527)**	(756,140)
Write off of accumulated losses	(320,064)	(2,018,394)	(703,082)	-	-	3,041,540	-	-	-
Reduction in share capital	(1,872,364)	-	-	-	-	-	(1,872,364)	-	(1,872,364)
Total transactions with owners	(2,192,428)	(2,018,394)	(703,082)	-	-	2,832,927	(2,080,977)	**(547,527)**	(2,628,504)
Profit for the period	-	-	-	-	-	1,259,173	1,259,173	**66,597**	1,325,770
Other comprehensive (loss)/income for the period	-	-	-	(3,945)	(188,490)	-	(192,435)	**13,596**	(178,839)
Total comprehensive (loss)/income for the period	-	-	-	(3,945)	(188,490)	1,259,173	1,066,738	**80,193**	1,146,931
Gain on sale of financial assets at FVTOCI	-	-	-	-	(38,652)	38,652	-	-	-
Balance as at 30 June 2021 (Unaudited)	60,539,761	-	-	(3,534)	1,258,857	1,089,212	62,884,296	**(480,637)**	62,403,659

The notes set out on pages 7 to 23 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

	Notes	Six months ended 30 June 2022 (Unaudited) KD	Six months ended 30 June 2021 (Unaudited) KD
OPERATING ACTIVITIES			
Profit for the period		**508,848**	1,325,770
Adjustments for:			
Net gain from financial assets at fair value		**103,235**	(766,742)
Gain on sale of investment properties		**-**	(280,000)
Gain on sale of subsidiaries		**(473,788)**	-
Depreciation and amortisation		**415,034**	444,099
Provision for employees' end of service benefits		**142,013**	58,955
Reversal of provisions no longer required		**-**	(141,000)
Finance costs		**464,136**	163,550
		1,159,478	804,632
Changes in operating assets and liabilities:			
Inventories		**(100,826)**	(53,426)
Accounts receivable and other assets		**(333,212)**	(9,826,736)
Accounts payable and other liabilities		**(167,543)**	(2,757,923)
Employees' end of service benefits paid		**(55,930)**	(58,151)
Net cash from/(used in) operating activities		**501,967**	(11,891,604)
INVESTING ACTIVITIES			
Net additions to property, plant and equipment		**(139,327)**	(43,683)
Additions to intangible assets		**(30,000)**	(1,500)
Purchase of financial assets at FVTPL		**(391,290)**	(1,087,314)
Proceeds from sale of financial assets at FVTPL		**426,555**	1,175,798
Purchase of financial assets at FVTOCI		**-**	(15,144,065)
Proceeds from sale of financial assets at FVTOCI		**733,835**	13,426,974
Acquisition of subsidiaries		**-**	(1,660,616)
Proceeds from sale of subsidiaries	5.2	**5,331,881**	-
Proceeds from sale of investment properties		**-**	12,250,000
Purchase of investment properties	10	**(3,287,655)**	(4,826,436)
Additions to property under development		**(457,930)**	(1,005,683)
Dividend income received		**113,323**	24,173
Restricted cash and cash equivalents	8	**151,514**	-
Net cash from investing activities		**2,450,906**	3,107,648
FINANCING ACTIVITIES			
Due to banks		**(724,721)**	11,111
Cash dividend paid		**(5,071)**	(4,150)
Reduction in share capital	16	**(2,964,088)**	-
Lease liabilities paid		**(321,637)**	(428,715)
Dividend to NCI		**(87,192)**	-
Proceeds from borrowings		**17,438,137**	4,348,155
Payment of borrowings		**(14,549,594)**	(8,762,763)
Finance costs paid		**(313,839)**	(142,493)
Net cash used in financing activities		**(1,528,005)**	(4,978,855)
Increase/(decrease) in cash and cash equivalents		**1,424,868**	(13,762,811)
Foreign currency adjustments		**210,919**	62,679
Cash and cash equivalents at beginning of the period	8	**5,704,679**	18,388,447
Cash and cash equivalents at end of the period	8	**7,340,466**	4,688,315
Non-cash transactions:			
Right of use assets		**879,801**	331,590
Lease liabilities		**(879,801)**	(331,590)
Accounts payable and other liabilities		**-**	(1,872,364)
Reduction in share capital		**-**	1,872,364
Purchase of investment properties		**1,100,000**	-
Proceeds from sale of investment properties		**(1,100,000)**	-

The notes set out on pages 7 to 23 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information

1 Incorporation and activities of the Parent Company

Kuwait Business Town Real Estate Company KPSC (the "Parent Company") was incorporated in Kuwait in 1999 as a limited liability company and was registered as a K.S.C. (Closed) Company on 6 November 2004. The Parent Company's shares were listed in the Kuwait Stock Exchange on 16 December 2008. The Parent Company's registered office is at KBT Tower 28th floor, Khalid Ebn Al Waleed Street, Kuwait.

The principal activities of the Parent Company are:

1. Owning, sale and purchase of real estate and lands and their development for the account of the Company inside and outside the State of Kuwait, as well as management of properties of others without violating the provision and laws stipulated in the existing laws and the probation of trade in private housing and plots as prescribed by these laws.

2 Own, sale and purchase of shares of shares and bonds of real estate entities only for the account of the company inside and outside the State of Kuwait.

3 Preparation of economic feasibility studies and providing consultancy in the real estate fields of all kinds, if only the required conditions are met by the parties that perform such services.

4 Owing, management, leasing and rental of hotels, health clubs and touristic facilities.

5 Carrying out maintenance works, of building and real estate owned by the company and others including maintenance works, execution of civil, mechanical, electrical, elevators and air conditioning works to ensure the protection and safety of buildings.

6 Managing, operating, investing in, renting and leasing hotels, clubs, motels, guest houses, parks. gardens, showrooms, restaurants, cafeterias, housing complexes, touristic and health resort, recreational and athletic projects and stores of all degrees and levels, inclusive of all main and auxiliary services, accompanying facilities and other necessary services.

7 Organizing exhibitions for the Company's real estate projects according to the regulations applicable by the Ministry.

8 Holding real estate auctions according to the regulations applicable by the Ministry.

9 Owning and managing commercial malls and residential complexes.

10 Establishing and managing real estate funds (after the approval of Central Bank of Kuwait).

11 Investing surplus funds available with the Company by investing in financial and real estate portfolios managed by specialized companies and entities.

12 Direct contribution to the development of infrastructure of areas and residential, commercial and industrial projects using Build-Operate-Transfer (BOT) system and management of real estate facilities through BOT system.

13 The company may have all interest in or participate in any manner with entity that carry on business activities similar to its own or which may assist the company in achieving its objects in Kuwait or abroad and it has the right to buy or affiliate with these bodies.

Notes to the interim condensed consolidated financial information (continued)

1 Incorporation and activities of the Parent Company (continued)

Kuwait Business Town Real Estate Company - KPSC ("the Parent Company") and its subsidiaries are collectively referred to as "the Group" in this interim condensed consolidated financial information.

The interim condensed consolidated financial information of the Group for the six-month period ended 30 June 2022 were authorised for issue in accordance with a resolution of the Parent Company's Board of Directors on 28 July 2022.

2 Basis of presentation

The interim condensed consolidated financial information of the Group for the six-month period ended 30 June 2022 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The accounting polices used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2021, except for the changes described in note 3.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD") which is the functional and presentation currency of the Parent Company.

This interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements prepared in accordance with the International Financial Reporting Standards. In the opinion of the management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation for the interim condensed consolidated financial information have been included.

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2021.

Operating results for the six-month period ended 30 June 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022. For further details, refer to the Group's consolidated financial statements and its related disclosures for the year ended 31 December 2021.

3 Changes in accounting policies

3.1 New and amended standards adopted by the Group

The following new amendments or standards were effective for the current period.

Standard or Interpretation	*Effective for annual periods beginning*
IFRS 3 Amendment – Reference to the conceptual framework	1 January 2022
IAS 16 – Amendments – Proceeds before intended use	1 January 2022
IAS 37 – Amendments – Onerous contracts -Cost of fulfilling a contract	1 January 2022
Annual Improvements 2018-2020 Cycle	1 January 2022

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended standards adopted by the Group (continued)

IFRS 3 – Reference to the conceptual framework
The amendments add a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

IAS 16 Amendments - Proceeds before intended use
The amendment prohibits an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

The adoption of the amendment did not have a significant impact on the Group's interim condensed consolidated financial information.

IAS 37 Amendments – Onerous contracts- Cost of fulfilling a contract
The amendments specify which costs an entity includes when assessing whether a contract will be loss-making.

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The amendments are only to be applied to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual period in which it first applies the amendments.

The adoption of the amendment did not have a significant impact on the Group's interim condensed consolidated financial information.

Annual Improvements 2018-2020 Cycle
Amendment to IAS 1 simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences. Subsidiary that is a first-time adopter later than its parent might have been required to keep two parallel sets of accounting records for cumulative translation differences based on different dates of transition to IFRSs. However, the amendment extends the exemption to cumulative translation differences to reduce costs for first-time adopters.

Amendment to IFRS 9 relates to the '10 per cent' Test for Derecognition of Financial Liabilities – In determining whether to derecognise a financial liability that has been modified or exchanged, an entity assesses whether the terms are substantially different. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.1 New and amended standards adopted by the Group (continued)

Annual Improvements 2018-2020 Cycle (continued)
Amendment to IFRS 16 avoids the potential for confusion in applying IFRS 16 Leases because of how Illustrative Example 13 accompanying IFRS 16 had illustrated the requirements for lease incentives. Before the amendment, Illustrative Example 13 had included as part of the fact pattern a reimbursement relating to leasehold improvements; the example had not explained clearly enough the conclusion as to whether the reimbursement would meet the definition of a lease incentive in IFRS 16. The IASB decided to remove the potential for confusion by deleting from Illustrative Example 13 the reimbursement relating to leasehold improvements.

The adoption of the amendments did not have a significant impact on the Group's interim condensed consolidated financial information.

3.2 IASB Standards issued but not yet effective
At the date of authorisation of this interim condensed consolidated financial information, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's interim condensed consolidated financial information is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's interim condensed consolidated financial information.

Standard or Interpretation	*Effective for annual periods beginning*
IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments	No stated date
IAS 1 Amendments- Classification of current and non-current	1 January 2023
IAS 1 Amendments- Disclosure of accounting policies	1 January 2023
IAS 8 Amendments- Definition of accounting estimates	1 January 2023

IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments
The Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

- require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations)
- require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.

Notes to the interim condensed consolidated financial information (continued)

3 Changes in accounting policies (continued)

3.2 IASB Standards issued but not yet effective (continued)

IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments (continued)

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

IASB has postponed the effective date indefinitely until other projects are completed. However, early implementation is allowed. Management anticipates that the application of these amendments may have an impact on the Group's interim condensed consolidated financial information in future should such transactions arise.

IAS 1 Amendments - Classification of current or non-current
The amendments to IAS 1 clarify the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period. Stating management expectations around whether they will defer settlement or not does not impact the classification of the liability. It has added guidance about lending conditions and how these can impact classification and has included requirements for liabilities that can be settled using an entity's own instruments.

Management does not anticipate that the adoption of the amendments in the future will have a significant impact on the Group's interim condensed consolidated financial information.

IAS 1 Amendments – Disclosure of accounting policies
The amendments to IAS 1 require entities to disclose material accounting policies instead of significant accounting policies. The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial.

Management does not anticipate that the adoption of the amendments in the future will have a significant impact on the Group's interim condensed consolidated financial information.

IAS 8 Amendments – Definition of accounting estimates
The amendments to IAS 8 inserted the definition of accounting estimates replacing the definition of a change in accounting estimates. Accounting estimates are now defined as monetary amounts in financial statements that are subject to measurement uncertainty.

Management does not anticipate that the adoption of the amendments in the future will have a significant impact on the Group's interim condensed consolidated financial information.

4 Judgement and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Notes to the interim condensed consolidated financial information (continued)

4 Judgement and estimates (continued)

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited consolidated financial statements as at and for the year ended 31 December 2021.

5 Subsidiaries

Details of subsidiaries and the Group's ownerships are set out below:

	Country of incorporation	Ownership percentage			Principal activities
		30 June 2022 (Unaudited)	31 Dec. 2021 (Audited)	30 June 2021 (Unaudited)	
United National Holding Company - KSC (Holding)	Kuwait	**99.8%**	99.8%	99.8%	Investment
KBT Cayman Company Limited	Cayman Islands	**100%**	100%	100%	Real estate
KBT Caribbean Company Limited	Cayman Islands	**100%**	100%	100%	Real estate
KBT Luxembourg S.A.R.L (5.2)	Luxembourg	**100%**	100%	100%	Real estate
United Foodstuff Industries Group Co. KSCC	Kuwait	**78.27%**	78.27%	78.27%	Consumer goods
Al-Barari International Real Estate Co.- SPC (5.2)	Kuwait	**-**	100%	100%	Real estate
Al-Mawared International Real Estate Co. - WLL	Kuwait	**99%**	99%	99%	Real estate and investment
Sharq International Real Estate Co. - WLL	Kuwait	**99%**	99%	99%	Real estate and investment
Masaken Real Estate Co.-WLL (5.2)	Kuwait	**-**	99%	99%	Real estate and investment
KBT Projects International Real Estate Co. - WLL	Kuwait	**99%**	99%	99%	Real estate and investment
Diar National Real Estate Co. - WLL	Kuwait	**99%**	99%	99%	Real estate and investment
Al-Madaean International Real Estate Co.-WLL	Kuwait	**99%**	99%	99%	Real estate and investment
Alfa United Real Estate Co. - WLL (5.2)	Kuwait	**35%**	99%	99%	Real estate and investment
KBT Jersey Limited	Jersey Chanel Islands	**77.08%**	77.08%	100%	Real estate
Al-Masaa Real Estate co.- WLL (5.1)	Kuwait	**99%**	-	-	Real estate and investment
Abraj Al Kuwait International Real Estate co.- WLL (5.1)	Kuwait	**99%**	-	-	Real estate and investment

5.1 During the year, the Group established two new subsidiaries with a share capital of KD10,000 each. The remaining shares of these subsidiaries are held in the name of related parties as nominees on behalf of the Parent Company, who have confirmed in writing that the Parent Company is the beneficial owner of those shares.

Notes to the interim condensed consolidated financial information (continued)

5 Subsidiaries (continued)

5.2 a During the period, one of the Group's subsidiaries "KBT Luxembourg S.A.R.L" disposed of 100% ownership in its own subsidiary "KBT Belgium S.A.R.L" for a net sale consideration of KD3,565,381. The sale resulted in a gain of KD374,487.

b During the period, the Group sold to a related party its ownership in Al-Barari International Real Estate Co.- SPC for a total consideration of KD1,750,000. The transaction resulted in a gain of KD99,301.

c During the period, the Group entered into sale agreements with related parties for sale of 65% and 100% of its ownership in Alfa United Real Estate Co. – WLL and Masaken Real Estate Co.- WLL, respectively, for an aggregate consideration of KD16,500. Consequently, the Group lost control over these subsidiaries. The sale transactions did not result in any gain or loss.

As of the reporting date, the Group's ownership in Alfa United Real Estate Co. – WLL is 35%. Management believe that the Group is able to exercise significant influence over the operations of this entity. Hence, the remaining investment has been classified as an associate.

As of the date of issuing of this interim condensed consolidated financial information, the formalities to transfer ownership of Alfa United Real Estate Company - WLL into the name of the buyer are in progress.

At the date of disposal, the carrying amounts of subsidiaries' net assets were as follows:

	KBT Belgium S.A.R.L KD	Al Barari International Real Estate Co.- SPC KD	Masaken Real Estate Co. - WLL KD	Alfa United Real Estate Co. - WLL KD	Total KD
Investment property	-	1,650,655	-	-	1,650,655
Property under development	3,680,751	-	-	-	3,680,751
Other assets	-	1,829	10,000	10,000	21,829
	3,680,751	1,652,484	10,000	10,000	5,353,235
Total liabilities	489,857	1,785	-	-	491,642
Net assets at the date of disposal	3,190,894	1,650,699	10,000	10,000	4,861,593
Sale consideration	3,565,381	1,750,000	10,000	6,500	5,331,881
Share of net assets disposed	(3,190,894)	(1,650,699)	(10,000)	(6,500)	(4,858,093)
Gain on disposal of subsidiaries	374,487	99,301	-	-	473,788

Notes to the interim condensed consolidated financial information (continued)

6 Net (loss)/gain from financial assets at fair value

	Three months ended		Six months ended	
	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD
Financial assets at fair value through profit or loss				
Change in fair value	(203,155)	75,452	(199,884)	66,462
Gian/(loss) on sale	11,381	97,420	(3,733)	206,353
Dividend income	75,454	10,963	79,600	14,381
	(116,320)	183,835	(124,017)	287,196
Financial assets at fair value through other comprehensive income				
(Loss)/gain on sale	(10,210)	264,547	(12,940)	275,483
Dividend income	10,946	204,063	33,722	204,063
	736	468,610	20,782	479,546
	(115,584)	652,445	(103,235)	766,742

7 Basic and diluted earnings per share attributable to the owners of the Parent Company

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to the owners of the Parent Company by the weighted average number of shares outstanding during the period as follows:

	Three months ended		Six months ended	
	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
Profit for the period attributable to the owners of the Parent Company (KD)	240,236	721,629	387,737	1,259,173
Weighted average number of the outstanding shares (Share)	593,422,708	614,793,728	599,377,077	621,023,201
Basic and diluted earnings per share attributable to the owners of the Parent Company	0.40 Fils	1.17 Fils	0.65 Fils	2.03 Fils

8 Cash and cash equivalents

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Cash and bank balances	6,640,180	5,021,590	4,055,329
Cash in managed portfolio	1,404,878	1,539,195	632,986
Cash and cash equivalents	8,045,058	6,560,785	4,688,315
Less: restricted bank balances	(704,592)	(856,106)	-
Cash and cash equivalents for the consolidated statement of cash flows	7,340,466	5,704,679	4,688,315

Notes to the interim condensed consolidated financial information (continued)

9 Financial assets at fair value through other comprehensive income

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Quoted equity securities	12,731,162	27,312,526	27,312,526
Unquoted equity securities	2,331,644	2,331,644	2,411,944
Debt securities	5,865,840	7,155,288	8,353,961
	20,928,646	36,799,458	38,078,431

Quoted equity securities are held for medium to long-term strategic purposes. Accordingly, the Group has elected to designate these financial assets as at FVTOCI as it believes that recognising short-term fluctuations in the fair value of these financial assets in the interim condensed consolidated statement of profit or loss would not be consistent with the Group's strategy of holding these financial assets for long-term purposes and realising their performance potential in the long run.

Debt securities represent investment in bonds carrying annual interest rate of 4.875% - 6% (31 December 2021: 4.875% - 6.125% and 30 June 2021: 3.88% -5.75%).

Financial assets at FVTOCI with a carrying value amount of KD14,566,784 (31 December 2021 KD23,468,526 and 30 June 2021: KD31,822,487) are pledged against certain borrowings (note 14).

The hierarchy for determining and disclosing the fair values of financial instruments is presented in note 18.

10 Investment properties

The movement in investment properties during the period/year is as follows:

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
At 1 January	45,598,573	22,285,387	22,285,387
Additions (see below)	4,387,655	10,741,597	4,826,436
Arising on acquisition of subsidiaries	-	23,369,795	1,100,000
Arising on disposal of subsidiary (note 5.2)	(1,650,655)	-	-
Disposals (see below)	(1,100,000)	(11,970,000)	(11,970,000)
Change in fair value	-	1,040,678	-
Foreign currency translation difference	(1,932,215)	131,116	(29,017)
	45,303,358	45,598,573	16,212,806

The additions for the period include an investment property acquired for a total consideration of KD1,577,000 through a swap transaction. The consideration comprises of transferring an investment property with a carrying value of KD1,100,000 and cash amount of KD477,000.

Investment properties with a carrying value of KD42,870,994 (31 December 2021: KD38,894,573 and 30 June 2021: KD15,112,806) are mortgaged against certain borrowings and due to bank (notes 14 and 15).

Notes to the interim condensed consolidated financial information (continued)

11 Investment property under development

Investment property under development is located in Europe which has been acquired for the purpose of developing a residential and commercial building.

The movement in the property under development is as follows:

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
At 1 January	**3,488,281**	2,313,499	2,313,499
Additions	**457,930**	1,343,010	1,005,683
Arising on disposal of subsidiary (note 5.2)	**(3,680,751)**	-	-
Change in fair value	**-**	65,564	-
Foreign currency translation difference	**(265,460)**	(233,792)	(77,521)
	-	3,488,281	3,241,661

During the period, the subsidiary holding the property under development was sold (note 5.2).

12 Share capital

At 30 June 2022 the authorised, issued and fully paid capital in cash of the Parent Company comprised 575,127,726 shares of 100 fils each (31 December 2021: 605,397,606 shares and 30 June 2021: 605,397,606 shares of 100 fils each).

The Parent Company's shareholders in their Extra-Ordinary General Assembly meeting held on 25 April 2022 approved the board of directors' proposal to reduce the share capital by an amount of KD3,026,988 as at 31 December 2021.

The share capital reduction was approved by the relevant authorities and registered in the commercial register on 25 May 2022.

13 Accounts payable and other liabilities

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Accounts payable	**1,327,017**	1,370,134	1,324,765
Due on purchase of investment properties	**168,000**	168,000	1,368,000
Due to associate	**3,368**	-	-
Due to non-controlling interests	**-**	44,888	-
Accrued expenses and provisions	**537,193**	827,353	643,374
Interest and dividend payable	**370,604**	355,186	247,228
Advance rent received	**439,036**	407,666	206,038
Due to shareholders on decrease of share capital	**128,417**	65,427	1,872,364
Other liabilities	**924,394**	876,329	1,218,422
	3,898,029	4,114,983	6,880,191

Notes to the interim condensed consolidated financial information (continued)

14 Borrowings

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Term loans (14.1)	**2,672,640**	11,999,800	6,281,563
Islamic financing facilities, gross (14.2)	**25,845,197**	15,003,735	83,043
Less: deferred costs	**(1,408,182)**	(1,631,770)	(2,614)
	24,437,015	13,371,965	80,429
Total borrowing, net	**27,109,655**	25,371,765	6,361,992

The borrowings are due for repayment as follows:

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Within one year	**13,043,553**	10,155,010	4,371,762
Over one year	**14,066,102**	15,216,755	1,990,230
	27,109,655	25,371,765	6,361,992

14.1 Term loans represent the following:

a) Term loan obtained from a foreign financial institution of USD6,600,000 with an interest rate of 2.62% per annum, repayable in one instalment on 30 April 2030. The amount outstanding at the reporting date is KD2,027,520. The term loan is secured by a mortgage of investment property amounting to KD5,253,120 (note 10).

b) Bank facilities in form of short term loan obtained in foreign currency from a local bank of USD15 million with an interest rate of 2% above 3 month SOFR, repayable on 1 September 2022. The amount outstanding at the reporting date is KD645,120. The loan is secured by a pledge of certain financial assets at fair value through other comprehensive income amounting to KD3,627,422 (note 9).

14.2 Islamic financing represents the following:

a) Murabaha facility of GBP32.340 million obtained from a foreign bank, carrying a profit rate 2.71% per annum, and is repayable on 14 July 2026. The amount outstanding at the reporting date is KD12,038,583. The facility is secured by a mortgage of investment properties amounting to KD20,473,780 (note 10).

b) During the period, the Group obtained a Murabaha facility with a local bank for an amount of KD20 million, carrying an interest rate 1% per annum over CBK discount rate, repayable on 1 November 2022. The amount outstanding at the reporting date is KD12,350,000. The facility is secured by pledge of certain financial assets at fair value through other comprehensive income amounting to KD10,939,362 (note 9) and certain investment properties amounting to KD10,849,000 (note 10).

c) Tawarruq payable obtained by one of the subsidiaries from a local bank amounting of KD48,432 carrying an annual profit rate of 1.75% over CBK discount rate and was repayable on 1 April 2022. The subsidiary is under process to renew the facilities with the bank. Tawarruq payable is secured by the guarantee of the Parent Company.

Notes to the interim condensed consolidated financial information (continued)

15 Due to banks

Due to banks represent the following:

a) Bank overdraft limit of USD14.6 million from a foreign bank at 3% above 1-month LIBOR. The amount outstanding at the reporting date represents overdraft of KD3,385,434. The facility is secured by first degree mortgage of investment properties amounting to KD6,295,094 (note 10) and assignment of rental income from these properties in favour of the bank. The facilities agreement has been expired on 30 June 2022. However, as of the date of issuing of this interim condensed consolidated financial information, the Group is in process to renew the facility agreement with the bank.

b) Bank overdraft facilities of KD594,024 obtained from a local bank carry annual interest rate of 2% over CBK discount rate and was repayable on 30 April 2020. The Group is under process to renew the facility agreement with the bank.

16 Annual general assembly

The General Assembly of shareholders held on 25 April 2022 approved the consolidated financial statements for the year ended 31 December 2021 and the following:

- Not to distribute dividends for the year ended 31 December 2021.
- Reduce the share capital by KD3,026,988 to be KD57,512,773.

17 Related party transactions

Related parties represent the major shareholders, associates, directors, entities under common control and key management personnel of the Group and companies in which directors and key management personnel of the Group are principal owners or over which they are able to exercise significant influence or joint control. Pricing policies and terms of these transactions are approved by the Group's management.

Details of significant related party transactions and balances are as follows:

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Balances included in the interim condensed consolidated statement of financial position:			
Accounts receivable and other assets	**491,937**	498,595	423,009
Purchase of investment properties	**-**	2,888,000	2,888,000
Acquisition of subsidiary	**-**	1,650,000	1,650,000
Accounts payable and other liabilities	**180,361**	227,693	218,000
Lease liabilities	**206,025**	167,169	127,901

Transactions included in the interim condensed consolidated statement of profit or loss:

	Three months ended		Six months ended	
	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD
Gain on sale of investment properties	**-**	-	**-**	280,000
Gain on sale of financial assets at fair value	**-**	109,384	**-**	218,477
Gain on sale of subsidiaries	**99,301**	-	**99,301**	-
Dividend income	**73,643**	9,022	**73,643**	9,646
Other income	**-**	-	**-**	61,120
General and administrative expenses	**(56,433)**	(51,452)	**(112,878)**	(100,927)
Finance costs	**(1,909)**	(1,322)	**(3,538)**	(2,290)

Notes to the interim condensed consolidated financial information (continued)

17 Related party transactions (continued)

	Three months ended		Six months ended	
	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD	30 June 2022 (Unaudited) KD	30 June 2021 (Unaudited) KD
Key management remunerations:				
Salaries and short-term benefits	**77,449**	80,227	**171,210**	149,048
Employees' end of service benefits	**5,741**	4,768	**40,270**	9,332
	83,190	84,995	**211,480**	158,380

During the period, the Group entered into sale agreements with related parties for sale certain subsidiaries. The transactions did not result in any gain or loss (note 5.2).

18 Fair value measurement

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into six Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Financial assets:			
At amortised cost:			
Cash and cash equivalents	**8,045,058**	6,560,785	4,688,315
Accounts receivable and other assets	**1,464,744**	1,131,532	11,921,708
At fair value:			
Financial assets at fair value through profit or loss	**3,223,364**	3,462,248	3,182,385
Financial assets at fair value through other comprehensive income	**20,928,646**	36,799,458	38,078,431
	33,661,812	47,954,023	57,870,839
Financial liabilities:			
At amortised cost:			
Provision for employees' end of service benefits	**991,211**	905,025	854,343
Accounts payable and other liabilities	**3,898,029**	4,114,983	6,880,191
Borrowings	**27,109,655**	25,371,765	6,361,992
Lease liabilities	**1,086,733**	567,430	686,972
Due to banks	**3,979,460**	4,649,032	5,106,699
	37,065,088	35,608,235	19,890,197

Notes to the interim condensed consolidated financial information (continued)

18 Fair value measurement (continued)

Management considers that the carrying amounts of loans and receivable and financial liabilities, which are stated at amortised cost, approximate their fair values.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value on a recurring basis in the interim condensed statement of consolidated financial position are grouped into the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	KD	KD	KD	KD
30 June 2022 (Unaudited)				
Financial assets at fair value through profit or loss:				
Quoted equity securities	870,142	-	-	870,142
Unquoted equity securities	-	-	2,046,022	2,046,022
Managed portfolio	-	307,200	-	307,200
Financial assets at fair value through other comprehensive income:				
Quoted equity securities	12,731,162	-	-	12,731,162
Unquoted equity securities	-	-	2,331,644	2,331,644
Debt securities	-	5,865,840		5,865,840
	13,601,304	6,173,040	4,377,666	24,152,010
31 December 2021 (Audited)				
Financial assets at fair value through profit or loss:				
Quoted equity securities	1,416,573	-	-	1,416,573
Unquoted equity securities	-	-	2,045,675	2,045,675
Financial assets at fair value through other comprehensive income:				
Quoted equity securities	27,312,526	-	-	27,312,526
Unquoted equity securities	-	-	2,331,644	2,331,644
Debt securities	-	7,155,288	-	7,155,288
	28,729,099	7,155,288	4,377,319	40,261,706
30 June 2021 (Unaudited)				
Financial assets at fair value through profit or loss:				
Quoted equity securities	1,480,555	-	-	1,480,555
Unquoted equity securities	-	-	1,701,830	1,701,830
Financial assets at fair value through other comprehensive income:				
Quoted equity securities	27,312,526	-	-	27,312,526
Unquoted equity securities	-	-	2,411,944	2,411,944
Debt securities	-	8,353,961	-	8,353,961
	28,793,081	8,353,961	4,113,774	41,260,816

There have been no transfers between levels during the reporting period.

Measurement at fair value

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Notes to the interim condensed consolidated financial information (continued)

18 Fair value measurement (continued)

a) **Quoted Securities**
All the listed equity securities are publicly traded on a recognized stock exchange. Fair value has been determined by referring to their quoted bid prices at the reporting date.

b) **Unquoted securities**
Unlisted securities are measured at fair value estimated using various models like discounted cash flow model, which includes some assumptions that are not supportable by observable market prices or rates.

Level 3 fair value measurements
The financial instruments within level 3 can be reconciled from beginning to ending balances as follows:

	30 June 2022 (Unaudited) KD	31 Dec. 2021 (Audited) KD	30 June 2021 (Unaudited) KD
Opening balance	4,377,319	1,766,153	1,766,153
Additions	-	2,837,126	2,837,126
Disposals	-	(1,258,586)	(1,039,011)
Arising of acquisition of subsidiary	-	549,687	549,687
Gains or losses recognised in:			
- Consolidated statement of profit or loss and other comprehensive income	347	482,939	(181)
Closing balance	4,377,666	4,377,319	4,113,774

During the period, there have been no transfers between the hierarchies.

19 Segmental information

The Group is divided into operating segments for managing its various business activities. The Group operates mainly in Kuwait, United Arab Emirates, Europe and North America. For the purpose of analysing the major segments, the Group's management allocated its business and services into the following operating segments:

- Investing activities comprise participation in financial and real estate funds and managing the Group's liquidity requirements.

- Real estate activities comprise investment, managing real estate and construction or development of real estate for the sale in the ordinary course of business and other related real estate services.

- Consumer goods comprise of operating bakeries and manufacturing, trading of food related items

Notes to the interim condensed consolidated financial information (continued)

19 Segmental information (continued)

There are no inter-segmental transactions. The following segments are reported in a manner that is more consistent with internal reporting providing to the chief operating decision maker.

	Investment KD	Real estate KD	Consumer goods KD	Total KD
Three months ended 30 June 2022 (Unaudited)				
Segment revenue	453,309	649,204	827,931	1,930,444
Segment results	425,686	(266,832)	145,042	303,896
Six months ended 30 June 2022 (Unaudited)				
Segment revenue	566,705	1,293,303	1,569,918	3,429,926
Segment results	489,055	(224,714)	244,507	508,848
Segment assets	27,581,148	53,786,952	2,958,756	84,326,856
Segment liabilities	51,867	33,024,023	3,989,198	37,065,088
Three months ended 30 June 2021 (Unaudited)				
Segment revenue	743,928	264,338	849,787	1,858,053
Segment results	709,845	(185,755)	232,464	756,554
Six months ended 30 June 2021 (Unaudited)				
Segment revenue	1,051,486	852,138	1,477,769	3,381,393
Segment results	980,864	(4,935)	349,841	1,325,770
Segment assets	45,302,627	34,673,037	2,318,190	82,293,854
Segment liabilities	76,163	15,966,748	3,847,286	19,890,197

20 Capital commitments

At the date of the interim condensed consolidated statement of financial position, the Group had capital commitments amounting to KD890,000 (31 December 2021: KD196,840 and 30 June 2021: KD19,419,702) for the purchase of investment property.

21 Sale of right of use assets

During the previous year, one of the Group's subsidiaries signed an agreement with a related party for sale of right of leased lands located in Subhan Industrial Area for a total consideration of KD3,030,000. On completion of the sale transaction and obtaining all approvals from the relevant government authorities, the Group is expected to recognise a gain of KD3,000,000. As of date of issuing these interim condensed consolidated financial information, approvals of the concerned governmental authorities have not been obtained. Therefore, the sale has not been completed.

Notes to the interim condensed consolidated financial information (continued)

22 Covid19 pandemic impact

The outbreak of Coronavirus ("COVID19") pandemic and related global responses caused material disruptions to businesses around the world, leading to an economic slowdown. Global and local markets experienced significant volatility and weakness during the pandemic. While the pandemic has now been largely controlled with measures from governments and central banks with various financial packages and reliefs designed to stabilise economic conditions.

Management updated its assumptions with respect to judgements and estimates on various account balances which may still be potentially impacted due to the lingering effects. The assessment did not result into any significant impact on this interim condensed consolidated financial information. Management continues to closely monitor the market trends, its supply-chain, industry reports and cash flows to minimise any future negative impact on the Group.

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